

Workers' Compensation Program Committee Meeting



YOUR BEST PROTECTION

ACWA JPIA
2100 Professional Drive
Roseville, CA 95661

Monday
June 14, 2021
8:30 a.m.

Chairman: David Drake, Rincon del Diablo Municipal Water District

Vice-chair: Thomas A. Cuquet, South Sutter Water District

Rick Gilmore, Byron-Bethany Irrigation District

Traci Hart, Soquel Creek Water District

Robert Kunde, Wheeler Ridge-Maricopa Water Storage District

Eva Plajzer, Rancho California Water District

Scott Quady, Calleguas Municipal Water District

David Wheaton, Citrus Heights Water District



YOUR BEST PROTECTION

WORKERS' COMPENSATION PROGRAM COMMITTEE MEETING

AGENDA

[Link to Zoom](#)

MEETING #: **661 516 2566**

PASSCODE: **1234**

ZOOM CALL IN #: **(669) 900-6833**

Monday - June 14, 2021 – 8:30 a.m.

This meeting shall consist of a simultaneous Zoom teleconference call at the ACWA JPIA, 2100 Professional Drive, Roseville, CA 95661 and remote sites.

WELCOME

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

ANNOUNCEMENT RECORDING OF MEETING This meeting may be recorded to assist in preparation of minutes. Recordings will only be kept 30 days following the meeting, as mandated by the California Brown Act.

PUBLIC COMMENT Members of the public will be allowed to address the Workers' Compensation Program Committee on any agenda item prior to the Committee's decision on the item. They will also be allowed to comment on any issues that they wish which may or may not be on the agenda. If anyone present wishes to be heard, please let the Chairman know.

INTRODUCTIONS

ADDITIONS TO OR DELETIONS FROM THE AGENDA

Presenter

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I. CONSENT AGENDA

Drake * A. Approve the minutes of the meeting of May 28, 2020.

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Drake B. Report on meetings attended on behalf of the JPIA.

II. LOSS REPORTS

Sells * A. Review claims data.

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III. MEMBERSHIP

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IV. NEW BUSINESS

Thesing	* A. Review and make recommendation on the 2021-2022 Memorandum of Workers' Compensation Coverage.	22
Thesing	* B. Review and make recommendation on Workers' Compensation Excess Insurance Renewal.	35
Tucker	* C. Review of Senate Bill 335.	37
Tucker	* D. Review of AME/QME Fee Schedule Changes.	38
deBernardi	* E. Review and make recommendation on July 1, 2021 Renewal Pricing.	39
Sells	* F. CEO Update.	46

V. UPCOMING MEETING

Drake	A. There are no additional meetings scheduled for the remainder of the year.
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ADJOURN

*Related items enclosed.

Americans with Disabilities Act – The JPIA conforms to the protections and prohibitions contained in Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. A request for disability-related modification or accommodation, in order to participate in a public meeting of the JPIA, shall be made to: Kristan Brown, Administrative Assistant II, ACWA JPIA, PO Box 619082, Roseville, CA 95661-9082; telephone (916) 786-5742. The JPIA's normal business hours are Monday – Friday, 7:30 a.m. to 4:30 p.m. (Government Code Section 54954.2, subdivision. (a)(1).)

Written materials relating to an item on this Agenda that are distributed to the JPIA's Workers' Compensation Program Committee within 72 hours before it is to consider the item at its regularly scheduled meeting will be made available for public inspection at ACWA JPIA, 2100 Professional Drive, Roseville, CA 95661-3700; telephone (916) 786-5742. The JPIA's normal business hours are Monday – Friday, 7:30 a.m. to 4:30 p.m.



Unapproved minutes

Workers' Compensation Program Committee Meeting

ACWA Joint Powers Insurance Authority
2100 Professional Drive
Roseville, CA 95661
(916) 786-5742

May 28, 2020

This meeting consisted of a simultaneous Zoom teleconference meeting at the ACWA JPIA, 2100 Professional Drive, Roseville, CA 95661 and remote sites.

MEMBERS PRESENT

Chairman: David Drake, Rincon del Diablo Municipal Water District
Dennis Erdman, South Coast Water District
Rick Gilmore, Byron-Bethany Irrigation District (*joined meeting at 10:20 a.m.*)
Traci Hart, Soquel Creek Water District
Robert Kunde, Wheeler Ridge-Maricopa Water Storage District
Eva Plajzer, Rancho California Water District (*joined meeting at 10:59 a.m.*)
Scott Quady, Calleguas Municipal Water District

MEMBERS ABSENT

Thomas A. Cuquet, South Sutter Water District

STAFF PRESENT

Chief Executive Officer/Secretary: Walter "Andy" Sells
David deBernardi, Director of Finance
Robert Greenfield, General Counsel
Dan Steele, Finance Manager
Karen Thesing, Director of Insurance Services
Melody Tucker, Workers' Compensation Claims Manager
Bobbette Wells, Executive Assistant to the CEO (*Recording Secretary*)

OTHERS IN ATTENDANCE

Fred R. Bockmiller, Mesa Water District
E.G. "Jerry" Gladbach, Santa Clarita Valley Water Agency
Brent Hastey, Yuba Water Agency
Al Lopez, Western Municipal Water District
Melody A. McDonald, San Bernardino Valley Water Conservation District
Randall J. Reed, Cucamonga Valley Water District
J. Bruce Rupp, Humboldt Bay Municipal Water District
Pamela Tobin, San Juan Water District, ACWA VP

WELCOME

Chairman Drake welcomed everyone in attendance and asked the recording secretary to do roll call for all in attendance.

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

Chairman Drake called the meeting to order at 10:09 a.m. He announced there was a quorum.

ANNOUNCEMENT RECORDING OF MINUTES

Chairman Drake announced that the meeting would be recorded to assist in preparation of minutes. Recordings are only kept 30 days following the meeting, as mandated by the California Brown Act.

PUBLIC COMMENT

Chairman Drake noted that, as the agenda stated, members of the public would be allowed to address the Workers' Compensation Program Committee on any agenda item prior to the Committee's decision on that item. Comments on any issues on the agenda, or not on the agenda, were also welcomed. No comments were brought forward.

CONSENT AGENDA

Approval of the minutes

Chairman Drake called for approval of the May 6, 2019 minutes. Note was made in future agenda items *Online Reporting and Claims Management Training* were not included in this meeting's agenda. Additionally, the Committee had requested at the last meeting that a range of modifiers report be available for review to discuss large claims from a small number of districts, which was not.

M/S/C (Erdman/Quady) (Drake-Yes; Erdman-Yes; Hart-Yes; Kunde-Yes; Quady-Yes): That the Workers' Compensation Program Committee approve the minutes of the May 6, 2019 meeting with noted committee comments above.

Report on meeting attended on behalf of the JPIA

Chairman Drake and other members of the Executive Committee stated that they had attended a JPIA Human Resources webinar recently.

LOSS REPORTS

Review Claims Data

Mr. Sells explained that the JPIA has seen a favorable trend which suggests that the pool is making significant progress. The loss values moved slightly upward for the policy year of 2012-2013. Mostly the result of a higher number of high value claims. Currently, loss values appear to be stable.

Legislative changes, such as SB899, which was passed in 2004 and SB863, passed in 2012, continue to show positive results statewide.

The JPIA's training programs have emphasized workplace safety and management over the last several years. The downward trend in number of claims reported suggests that the emphasis is working.

MEMBERSHIP

Ms. Thesing reported that during the 2019-20 coverage year, Alameda County Water District, Truckee Donner Public Utility District, Panoche Water District and Westside Water Authority have all joined the Workers' Compensation Program.

The Program now has 197 members, covering 7,443 employees, with a combined payroll of \$566,471,558.

Otay Water District and Tuolumne Utilities District have both been approved by the Executive Committee to join the program and are expected to come on board July 1, 2020.

NEW BUSINESS

Memorandum of Workers' Compensation Coverage

Ms. Thesing reported that the Workers' Compensation Committee annually reviews and recommends for approval the Memorandum of Workers' Compensation Coverage. There are no changes to the Memorandum for the upcoming program year.

M/S/C (Gilmore/Kunde) (Drake-Yes; Erdman-Yes; Gilmore-Yes; Hart-Yes; Kunde-Yes; Quady-Yes): That the Workers' Compensation Program Committee recommends that the Executive Committee approve the Memorandum of Workers' Compensation Coverage, effective July 1, 2020.

Workers' Compensation Excess Insurance Renewal Proposal

Ms. Thesing explained that in 2018, staff secured a multi-year rate from Safety National at a cost of \$0.090 per \$100 of payroll. Due to the JPIA's excellent loss record, Safety National extended the policy terms and further reduced the rate to \$0.085. For the 2020-21 program year, the rate remains flat - \$0.085 per \$100 of payroll.

The Workers' Compensation Program maintains a \$2 million self-insured layer and then purchases Statutory limits through the excess workers' compensation market.

M/S/C (Gilmore/Kunde) (Drake-Yes; Erdman-Yes; Gilmore-Yes; Hart-Yes; Kunde-Yes; Quady-Yes): That the Workers' Compensation Program Committee recommends that the Executive Committee approve Safety National's excess renewal terms as presented with an effective date of July 1, 2020.

Governor Newsom's Executive Order N-62-60

Ms. Tucker reported that on March 4, 2020, the Governor of California proclaimed a State of Emergency as a result of the threat of COVID-19. All individuals living in the state were ordered to stay at home. Not all employees could stay at home and those who had to report to work are exposed to a risk of contracting the virus. The executive order was put into place to cover those employees who are at risk.

On May 6, 2020, Governor Gavin Newsom signed [Executive Order N-62-20](#). The Executive Order will apply for 60 days from May 6, 2020 through July 4, 2020 (and could be extended). The order is retroactive to claims filed on or after March 19, 2020. Below is a summary of this order.

Any COVID-19 related illness is presumed compensable if it meets the following requirements: the employee tested positive for COVID-19 within 14 days of working at the place of employment under the direction of the employer; the employee was working on or after March 19, 2020; the employee was not working from home during this time period; and the employee must have a positive diagnosis from a licensed California physician.

Compensability determination must be done in 30 days instead of the usual 90 days.

If the claim is accepted and is qualified for temporary disability benefits, the employee must first exhaust the 80 hours of emergency paid sick leave.

The employee will also be entitled to all other workers' compensation benefits such as medical treatment which may include hospital stay, physician visits, pharmacy and diagnostics.

Renewal Pricing

Mr. deBernardi reported that the Workers' Compensation Program renews on July 1, 2020 which includes the pooled portion as well as the excess layer.

In 2018, staff secured a multi-year rate from Safety National at a cost of \$0.090 per \$100 of payroll. Due to the JPIA's excellent loss record, Safety National extended the policy terms and further reduced the rate to \$0.085. For the 2020-21 program year, the rate remains flat - \$0.085 per \$100 of payroll.

The Committee was provided two options for pricing: Option 1 would be no change in rate to the members and have an estimated \$2.4 million refund in four years; or Option 2 would provide a 10% reduction in rates with an estimated \$1 million refund.

M/S/C (Gilmore/Kunde) (Drake-Yes; Erdman-Yes; Gilmore-Yes; Hart-Yes; Kunde-Yes; Plajzer-Yes; Quady-Yes): That the Workers' Compensation Program Committee recommends that the Executive Committee approve no changes to the pricing for the Workers' Compensation Program, policy year 7/1/20-21.

Accident Investigation Process

Ms. Tucker explained that all workers' compensation claims are reported directly to the workers' compensation claims department through the website. A copy of the Employer's Report of Injury, which is completed by the member and the Supervisor's Investigation Report is sent through the website directly to the workers' compensation claims department. A copy of both of these forms are provided to the risk advisor assigned to the member.

The supervisor accident form has sections for both the injured worker to complete and supervisor. The supervisor section asks what immediate action will be taken and what action will be taken to prevent another injury from occurring.

The claims examiner assigned to the claim will also make contact with the member and the injured worker to obtain a description of the accident and the extent of the injuries sustained.

CEO Update

Mr. Sells gave a brief update due to time constraints. However, he did note going forward that he intended to have preliminary agendas to the program committee members 6-8 weeks in advance for review and comment.

MISCELLANEOUS

Future Agenda Items

- Online reporting update.

Availability for Upcoming Meeting(s)

There are no scheduled meetings for the remainder of the year.

The Workers' Compensation Program Committee meeting adjourned at 12:07 p.m.

ACWA JPIA
Claims Data
June 14, 2021

BACKGROUND

The claims history for the JPIA Workers' Compensation Program has been very favorable for the past several years. The graphs represent the recent history in the Program.

CURRENT SITUATION

The JPIA has seen a favorable trend which suggests that the pool is making significant progress. The loss values moved slightly upward for the policy year of 2012-2013. Mostly the result of a higher number of high value claims. Currently, loss values appear to be stable.

Legislative changes, such as SB899, which was passed in 2004 and SB863, passed in 2012, continue to show positive results statewide.

The JPIA's training programs have emphasized workplace safety and management over the last several years. The downward trend in number of claims reported suggests that the emphasis is working.

For policy period 2016-17, rates were reduced by 10%. Rates for the current year, 2020-21 were reduced an additional 10%.

RECOMMENDATION

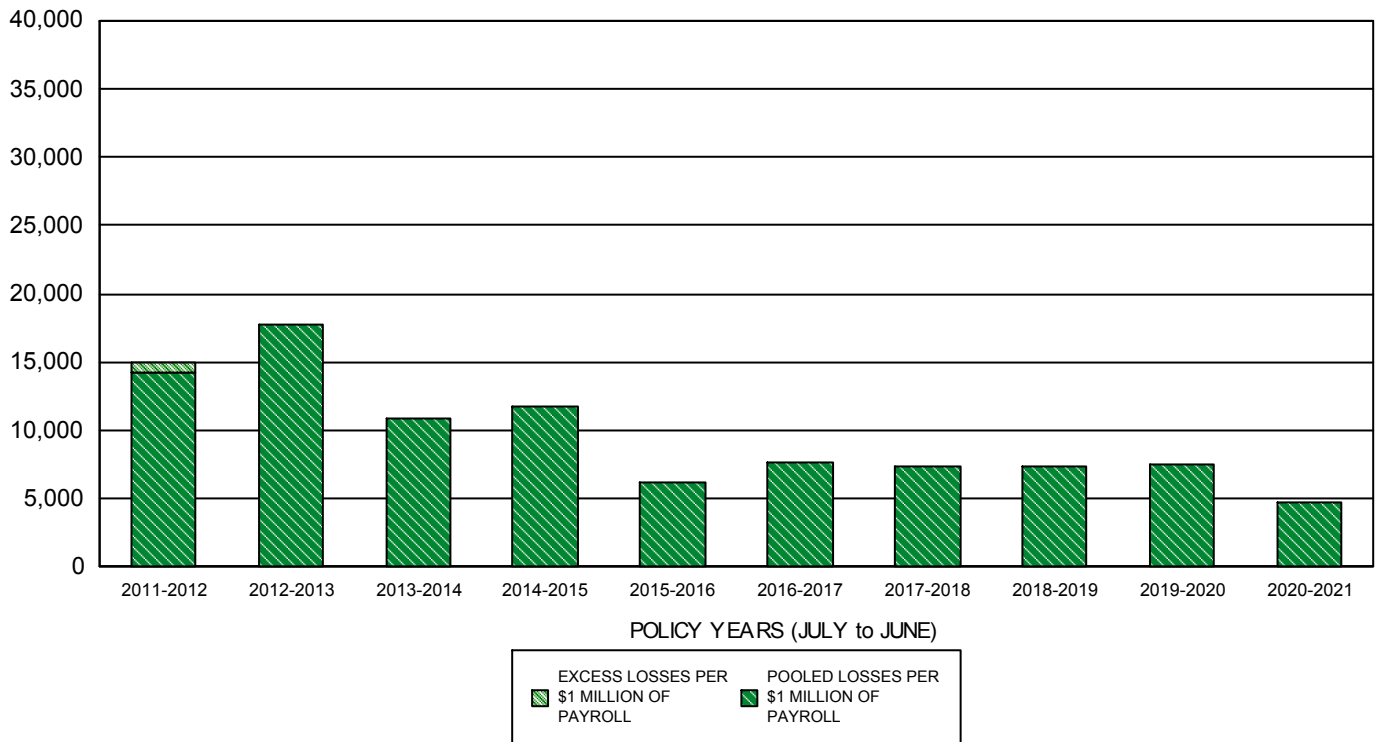
None, informational only.

ACWA JPIA - WORKERS' COMPENSATION PROGRAM

REPORTED LOSSES PER \$1 MILLION OF PAYROLL REPORT

FOR MONTH ENDING 5/31/2021

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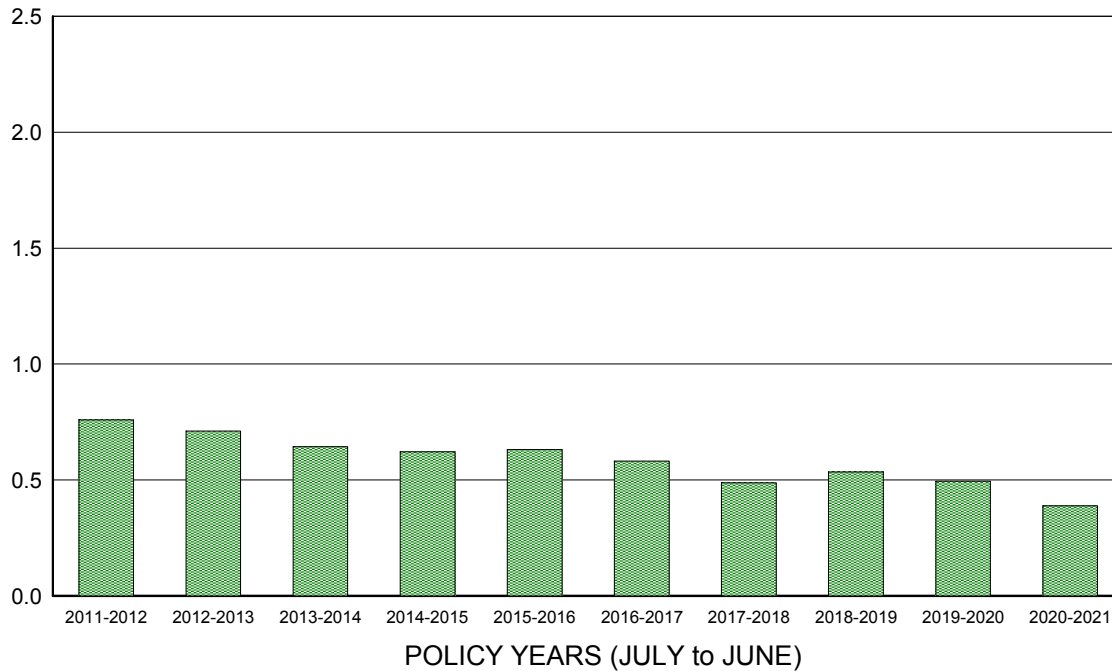


PROGRAM YEAR (7/1)	# OF MEMBERS	SELF INSURED RETENTION	POOLED LOSSES	EXCESS LOSSES	TOTAL LOSSES	ACTUAL PAYROLL	EXCESS LOSSES PER \$1 MILLION OF PAYROLL	TOTAL LOSSES PER \$1 MILLION OF PAYROLL
2006-2007	152	2,000,000	2,076,947	0	2,076,947	334,631,058	0	6,207
2007-2008	152	2,000,000	4,583,132	0	4,583,132	383,018,244	0	11,966
2008-2009	151	2,000,000	7,288,946	14,217	7,303,164	378,180,537	38	19,311
2009-2010	154	2,000,000	4,867,009	0	4,867,009	387,355,399	0	12,565
2010-2011	161	2,000,000	5,053,009	0	5,053,009	397,385,704	0	12,716
2011-2012	165	2,000,000	5,837,314	292,073	6,129,387	407,655,190	716	15,036
2012-2013	171	2,000,000	7,630,468	0	7,630,468	428,168,461	0	17,821
2013-2014	177	2,000,000	4,817,643	0	4,817,643	445,374,309	0	10,817
2014-2015	175	2,000,000	5,333,432	0	5,333,432	453,070,613	0	11,772
2015-2016	180	2,000,000	2,949,746	0	2,949,746	471,930,942	0	6,250
2016-2017	186	2,000,000	3,828,551	0	3,828,551	503,252,089	0	7,608
2017-2018	187	2,000,000	3,836,518	0	3,836,518	521,232,750	0	7,360
2018-2019	193	2,000,000	4,207,855	0	4,207,855	565,936,990	0	7,435
2019-2020	197	2,000,000	4,817,316	0	4,817,316	634,017,701	0	7,598
2020-2021	200	2,000,000	2,941,969	0	2,941,969	674,850,812	0	4,756

- Latest Policy Year's 'Losses' include partial activity.

- Latest Policy Year's 'Losses Per \$1 Million of Payroll' have been annualized using 11 months data.

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
CLAIMS PER \$1 MILLION OF PAYROLLS REPORT
FOR MONTH ENDING 5/31/2021**



PROGRAM YEAR (7/1)	NUMBER OF CLAIMS	ACTUAL PAYROLLS	INFLATION ADJUSTMENT FACTOR	INFLATION ADJUSTED PAYROLLS	NUMBER OF CLAIMS PER \$1 MILLION OF INFLATION ADJUSTED PAYROLLS
2006-2007	392	329,094,670	1.335	439,255,594	0.892
2007-2008	400	374,572,904	1.298	486,339,671	0.823
2008-2009	419	371,629,107	1.233	458,231,235	0.914
2009-2010	408	385,894,246	1.233	475,820,633	0.858
2010-2011	414	398,787,237	1.233	491,718,126	0.842
2011-2012	381	410,462,450	1.223	502,097,280	0.759
2012-2013	363	429,662,590	1.189	510,771,437	0.711
2013-2014	335	445,316,893	1.168	520,020,486	0.644
2014-2015	323	453,361,630	1.146	519,543,433	0.622
2015-2016	335	472,174,117	1.120	528,936,627	0.632
2016-2017	321	499,181,954	1.106	552,015,022	0.582
2017-2018	274	515,019,696	1.091	561,665,699	0.488
2018-2019	318	558,427,178	1.064	594,150,881	0.535
2019-2020	317	624,720,600	1.027	641,588,057	0.494
2020-2021	262	674,013,061	1.000	674,013,061	0.389

- Latest Policy Year's 'Number of Claims' include partial activity.
- Latest Policy Year's 'Number of Claims Per \$1 Million of Inflation Adjusted Payrolls' has been annualized using 11 months data.
- Payrolls Adjusted for Inflation - CNP's Omitted.
- Factor based on CPI for West Coast from US Dept of Labor

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 1984-1985				
Helix Water District	96108536	stained shoulder	Closed	130,418
Valley Center Municipal Water District	96248517	slipped hurt both ankles	Closed	220,004
TOTALS				350,421
POLICY YEAR 1985-1986				
Helix Water District	96108611	valley fever	Closed	260,065
TOTALS				260,065
POLICY YEAR 1988-1989				
Western Municipal Water District	96268907	hands- applying pressure on ha	Closed	155,552
TOTALS				155,552
POLICY YEAR 1989-1990				
Mission Springs Water District	96089006	r. shoulder & back-strained du	Closed	132,131
Western Municipal Water District	96269002	back- removing meter box.	Closed	126,817
Yolo County Flood Control & Water Conservation District	96279002	sharp pain in neck-ee picking	Closed	107,393
TOTALS				366,342
POLICY YEAR 1990-1991				
Palo Verde Irrigation District	96349108	l. shoulder-muscle pulled	Closed	104,997
TOTALS				104,997
POLICY YEAR 1991-1992				
Browns Valley Irrigation District	96029203	injury climbing on stairs	Closed	152,157
San Diego County Water Authority	96189201	uppr back strain	Closed	241,617
TOTALS				393,774
POLICY YEAR 1992-1993				
Butte Water District	96039301	lft thumb;amputated when his h	Closed	165,952
Reclamation District #108	96379301	low back strain	Closed	196,880
TOTALS				362,832

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 1994-1995				
Palo Verde Irrigation District	96349505	shldr - strn,sprn,dsloc-liftn	Closed	255,099
Paradise Irrigation District	01-3253	bilateral upper extremities, left and right shoulder including hands, low back bilateral lower extremities caused from unknown reasons. the district first notice of this was from an attorney.	Closed	143,843
Walnut Valley Water District	96259503	low back/while working ee had	Closed	226,618
TOTALS				625,560
POLICY YEAR 1995-1996				
Mission Springs Water District	09667	turning/water valve	Closed	100,646
Rancho California Water District	62037	lifting vault lid	Closed	128,349
San Diego County Water Authority	69669	pulling meter	Closed	132,129
Western Municipal Water District	09184	lifting a concret meter	Closed	100,577
TOTALS				461,700
POLICY YEAR 1996-1997				
Oakdale Irrigation District	40940	cleaning trash fr gate	Closed	106,631
Water Employee Services Authority	91769	tire blow out	Closed	131,739
TOTALS				238,370
POLICY YEAR 1997-1998				
Tahoe City Public Utility District	81104	situational stress	Closed	139,098
TOTALS				139,098
POLICY YEAR 1998-1999				
Carmichael Water District	99-1569	pulled on chain on back of dumpster and right wrist popped.	Closed	106,837
Newhall County Water District	99-1639	alleges cumulative stress and strain of employment	Closed	146,277
Orange County Water District	99-1430	strained back while digging out a sprinkler.	Closed	113,924
San Diego County Water Authority	99-1408	strained back while opening barbed wire gate	Closed	163,551
South Coast Water District	99-1682	while working to repair a service break, diggin to expose the water main with a hand shovel. felt a pull in his back and became increasingly more painful.	Closed	134,542
South Coast Water District	99-1423	stuck an underground power line while digging with a pneumatic clay spade to create a clearance around a water line.	Closed	1,623,100
TOTALS				2,288,231

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 1999-2000				
Merced Irrigation District	00-2265	twisted back while pushing concrete.	Closed	716,684
Palo Verde Irrigation District	00-2205	cumulative trauma	Closed	165,800
Reclamation District #108	00-2543	lumbar strain caused when putting pads on crane.	Closed	161,288
Soquel Creek Water District	00-2373	alleged cumulative trauma	Closed	243,428
Trabuco Canyon Water District	00-1939	lifting a jack hammer out of a ditch, 4 1/2 feet deep, to ground level.	Closed	173,449
			TOTALS	1,460,649
POLICY YEAR 2000-2001				
Consolidated Irrigation District	01-2685	motor vehicle accident	Closed	683,247
Fallbrook Public Utility District	01-2866	lifted oxygen tank off of mount of welding truck and felt pain in his back, right hip, and leg.	Closed	141,638
Montecito Water District	01-3443	ct	Closed	126,439
Montecito Water District	01-3286	lumbar strain caused when moving pipes.	Closed	197,172
Otay Water District	01-3324	tingling sensation in right arm and wrist cause when operating a payment processing machine.	Closed	110,305
Otay Water District	01-3444	hand and thumb pain caused from heavy typin and keying.	Closed	744,367
Otay Water District	01-2957	lumbar strain caused when responding to an alarm at the treatment plant when he stepped off the catwalk and turned towards an engine located off the catwalk.	Closed	519,410
Palmdale Water District	01-2821	using district bathroom and black widow spide bit him on the left arm	Closed	1,269,808
Rancho California Water District	01-3309	pain in lower back and left leg caused when digging, driving, moving, that occurred over a three month period.	Closed	122,748
Scotts Valley Water District	01-3398	limited motion and pain to right shoulder area, the rotator cup that occurred when shoveling in the reclaim tank ditch.	Closed	142,323
Soquel Creek Water District	01-2811	alleged cumulative trauma	Closed	104,505
Tehama-Colusa Canal Authority	01-2978	pain in the groin area caused when moving hydro crane pushing block (hook) to secure it in place for transport.	Closed	120,984
Trabuco Canyon Water District	01-3393	neck, back, and lumbar strain that occurred when on a service call in a district owned vehicle he was rear-ended.	Closed	199,573
			TOTALS	4,482,518

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 2001-2002				
Amador Water Agency	02-3817	deep cut on top of left foot caused when using a gas powered weed eater to cut tall grass he hit a rock that was hidden by the tall grass. the cutting blade broke off and struck him on the top of his foot.	Closed	102,526
Central Basin Municipal Water District	02-3893	standing on ladder stepped down and experienced pain.	Closed	145,485
Coastside County Water District	02-4308	twisted left knee when shoveling rock.	Closed	143,487
Consolidated Irrigation District	02-4325	head, back, and ribs were injured when employee was driving a district vehicle, he was in an auto accident.	Closed	189,419
Desert Water Agency	02-4031	pain and numbness which began in his back right side caused when he was standing up from a stooped position he experienced the pain.	Closed	188,112
Elsinore Valley Municipal Water District	02-4233	while reading meters, twisted right knee	Closed	112,461
Humboldt Community Services District	02-3702	injury to ankles when prepping an area on the roof for painting he reached at an odd angle, became unsteady and fell. his feet became tangled in the ladder steps.	Closed	209,961
Municipal Water District of Orange County	02-4311	sprained right arm and side of neck caused while using the computer and the phone.	Closed	237,409
Quartz Hill Water District	03-5027	continuous trauma	Closed	141,706
Riverview Water District	02-4161	low back, right lower extremities, (leg, ankle, feet) pains that occurred during the course of his job.	Closed	175,543
			TOTALS	1,646,109

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 2002-2003				
East Contra Costa Irrigation District	03-4916	employee suffers pain in both knees as a result of repetitive activities.	Closed	135,456
Merced Irrigation District	03-4725	massive head trauma caused when changing oil filter on gradall. the hood was open. he grabbed the hood to stabilize himself and the hood closed causing him to fall.	Closed	196,509
Newhall County Water District	03-5131	employee strained lumbar in the course of either shoveling or pulling a hose out of mud.	Closed	354,567
Padre Dam Municipal Water District	03-4640	pain in right side of body, arm, leg and foot caused when shoveling dirt.	Closed	126,669
Rancho California Water District	03-4981	while lifting cement meter lids repeatedly, employee started to feel lower back pain.	Closed	114,188
Rancho California Water District	03-4792	lower back pain experienced while bending over to read meter	Closed	123,862
Reclamation District #108	03-5255	employee suffered shoulder strain as a result of lifting 20 lb chemical bottles.	Closed	145,924
San Gabriel County Water District	03-4714	tore, damaged tissue in left knee caused when shoveling and squatting to put in a water service.	Closed	117,273
Yolo County Flood Control & Water Conservation District	03-5191	employee suffered a lumbar strain after slipping while stepping from board walk to cement. employee did not fall but twisted his back.	Closed	117,783
TOTALS				1,432,231
POLICY YEAR 2003-2004				
Calaveras County Water District	04-5911	employee injured his right wrist and elbow when he slipped and fell on some ice while performing an inspection.	Closed	165,883
Calleguas Municipal Water District	04-5357	employee suffers from whiplash as a result of being rear-ended while stopped at a traffic light in a district vehicle.	Closed	111,817
Helix Water District	04-5715	employee has swollen knees due to repeated climbing lake terrain	Closed	278,054
Otay Water District	04-5559	employee experienced pain and swelling in both hands and her fingers as a result of keyboarding.	Closed	103,790
San Diego County Water Authority	04-5924	injured left hand and fingers - while inspecting area employee made contact with blade of rotary fan. the fan guard had been removed.	Closed	120,189
Santa Clarita Valley Water Agency	04-6041	employee injured his right knee when he stepped over a drain pipe and slipped.	Closed	155,062
TOTALS				934,795

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 2004-2005				
Consolidated Irrigation District	05-6396	shoulder and back pain after travel to read wells	Closed	117,153
Elsinore Valley Municipal Water District	05-7207	asthma from cloud of sand blasting materials	Closed	401,552
Helix Water District	05-7142	right knee strain while standing on a ladder	Closed	146,249
Palmdale Water District	05-7240	left ankle, left shoulder, left arm, right knee and back strain after hose struck employee	Closed	166,983
Quartz Hill Water District	05-6897	dirt/rock in both ears while bending over pipe when loose piece of dirt fell on his head	Closed	358,413
Sweetwater Authority	05-7255	right knee strain from climbing down ladder	Closed	144,675
Yolo County Flood Control & Water Conservation District	06-7427	strained middle and lower back when fell walking downhill.	Closed	345,749
TOTALS				1,680,773
POLICY YEAR 2005-2006				
Orange County Water District	07-8605	back injury from repetitive sitting on bulldozer and heavy equipment	Closed	320,852
Orange County Water District	06-8222	death, possibly due to heart attack while sitting in truck.	Closed	191,451
South Sutter Water District	06-7447	back strain & spasms from using weed eater	Closed	308,585
Tahoe City Public Utility District	07-8553	strained lower back and tailbone from prolonged sitting at computer.	Closed	152,172
Valley County Water District	06-7635	strained thoracic and lumbar back regions while painting office walls.	Closed	304,659
TOTALS				1,277,719
POLICY YEAR 2006-2007				
Walnut Valley Water District	09-0210	strained wrist performing job duties.	Closed	147,834
Western Municipal Water District	07-8338	electrical shock while operating backhoe when struck 12kv underground electric cable.	Closed	132,512
TOTALS				280,346
POLICY YEAR 2007-2008				
Clear Creek Community Services District	08-9328	strained right shoulder moving broken concrete pieces by hand.	Closed	259,507
Mammoth Community Water District	08-9423	abrasions on right hip and lower back when hit with backhoe.	Closed	225,344
Merced Irrigation District	08-9761	strained lower middle back while moving kelly bar with anchors and anchor rod attached.	Closed	215,266
Sweetwater Authority	08-9373	strained lower back while mixing cement in wheelbarrow.	Closed	159,007
Yolo County Flood Control & Water Conservation District	08-9474	broke right leg above ankle when fell off ladder while painting.	Closed	428,599
TOTALS				1,287,724

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 2008-2009				
Consolidated Irrigation District	09-0674	strained neck and right shoulder when grader stopped suddenly after running over stump.	Closed	390,133
Consolidated Irrigation District	09-0906	left ankle and bilateral legs when boot got tangled on mower door while trying to get off mower.	Closed	252,293
Crescenta Valley Water District	09-0782	strained lower back and ankle when lost balance and fell while inspecting work at reservoir.	Closed	193,800
Crescenta Valley Water District	09-0606	strained lower back and right sciatica while shoveling.	Closed	233,251
East Contra Costa Irrigation District	09-0819	strained right bicep while opening inline valve.	Closed	103,078
El Dorado Irrigation District	09-0159	strained right knee, cut right elbow when fell when climbing onto backhoe trailer when missed handle.	Closed	158,540
Elsinore Valley Municipal Water District	09-0877	strained bilateral arms, elbow and wrists from doing repetitive computer and lab work.	Closed	2,014,217
Laguna Beach County Water District	09-0655	legs, neck and back when fell 20 ft off fence when bricks gave way, landing on hood of truck, while climbing over dist fence to enter parking lot because driver forgot remote for gate.	Closed	333,330
Merced Irrigation District	09-0673	strained right shoulder while pulling boards out of the weirs to send water downstream.	Closed	470,054
Mesa Water District	09-0324	strained lower back and right shin when he stepped on a curb and fell while digging a hole	Closed	506,290
Patterson Irrigation District	10-1016	injured right hip and back, cause unknown.	Closed	165,066
Ramona Municipal Water District	09-0822	strained left shoulder and neck while tying backhoe to trailer when binder came loose jerking the arm back.	Closed	150,975
TOTALS				4,971,029

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

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DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 2009-2010				
Antelope Valley-East Kern Water Agency	10-1719	strained left knee while walking on gravel.	Closed	259,838
Bella Vista Water District	10-1142	strained left knee while stepping off step.	Closed	166,626
Crescenta Valley Water District	10-1379	bruised left ribcage, hip and pelvis when slipped while descending ladder after filling vactor truck with diesel.	Closed	296,246
East Contra Costa Irrigation District	10-1730	injured rt elbow, left hip, back, shoulder and had difficulty breathing when fell while walking down stairs carrying a moss hook.	Closed	195,390
Elsinore Valley Municipal Water District	10-1407	strained neck and shoulder when backing dist truck when left rear tire left pavement and truck slide down slope then rolled.	Closed	134,328
Helix Water District	10-1697	bilateral knees and back from repetitive walking, climbing ladders, kneeling and squatting.	Closed	756,149
Orange County Water District	10-1396	bruised left hip and left shoulder when slipped and fell while reading water gauge in the rain.	Closed	125,405
San Luis Water District	10-1273	injured chest, back and right thigh when dump truck overturned because the load shifted.	Closed	107,065
Serrano Water District	10-1349	leg burns from using a cut off saw	Closed	102,707
South Coast Water District	10-1723	strained right shoulder and right upper arm while cleaning sewer line.	Closed	107,943
Weaverville Community Services District	10-1055	strained right shoulder while installing conduit in limited access attic.	Closed	111,230
Yolo County Flood Control & Water Conservation District	10-1625	strained right foot and ankle when hopped down to get out of canal.	Closed	297,035
			TOTALS	2,659,961

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 2010-2011				
Beaumont-Cherry Valley Water District	11-0848	struck and killed by motor vehicle while marking water line in street.	Closed	149,241
Cucamonga Valley Water District	11-0833	repetitive injuries to neck, back, bilateral shoulders, knees, hips, legs and waist.	Closed	131,633
El Dorado Irrigation District	11-0718	strained right shoulder while pulling "shoe" from manhole.	Closed	253,156
Glenn-Colusa Irrigation District	11-0654	strained neck and back from repetitive operation of backhoe and other equipment.	Closed	149,039
Kern County Water Agency	11-0507	injury to neck, rt upper extremity and bilateral feet, cause unknown.	Closed	323,879
Merced Irrigation District	11-0322	strained right knee while walking on uneven ground while performing work activity.	Closed	131,750
Mesa Water District	11-0481	injured while replacing gate chain rollers when struck by gate.	Closed	137,405
Mission Springs Water District	11-0437	strained lower back moving tamper.	Closed	447,237
Moulton Niguel Water District	11-0049	strained lower back while shoveling asphalt into truck.	Closed	223,350
Ramona Municipal Water District	11-0638	injured left knee in 1997 when stood up after kneeling on retaining wall.	Closed	116,776
Reclamation District #108	11-0789	unknown	Closed	153,478
South Feather Water and Power Agency	11-0037	ears (hearing), bilateral knees, pulmonary, cause unknown.	Closed	246,582
Walnut Valley Water District	11-0367	strained lower back while vacuuming a meter box.	Closed	121,606
TOTALS				2,585,133
POLICY YEAR 2011-2012				
Calaveras County Water District	12-0074	injured left hand while driving forklift when forklift tipped over.	Closed	2,292,073
Carpinteria Valley Water District	12-0488	strained bilateral hands, bilater wrists, forearm and rt shldr from repetitious job duties.	Closed	219,895
Desert Water Agency	12-0083	sprained lower back while tightening bolts on gate valve.	Closed	113,017
Elsinore Valley Municipal Water District	12-0055	strained lower back and bruised tailbone when fell backwards after tagging a sprinkler.	Closed	149,787
Helix Water District	12-0484	strained left knee when slipped on debris on asphalt while hooking bag to crane.	Closed	100,291
Moulton Niguel Water District	12-0518	injured left foot, left arm and right leg when tripped on paper roll and fell into desk then floor.	Closed	108,690
Solano Irrigation District	12-0797	strained lower back and left hip when slipped while coming down ladder.	Closed	184,046
TOTALS				3,167,799

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 2012-2013				
Alta Irrigation District	13-0396	injured left hip and leg when dump truck flipped and rolled over after load of soil was dumped.	Closed	132,916
Central Basin Municipal Water District	13-0399	concussion when leg gave way while walking out of meeting and hit head against a wall.	Closed	371,079
El Toro Water District	13-0504	depressed, stressed, and has sleep disorder, cause unknown.	Closed	110,742
Mammoth Community Water District	13-0128	ruptured right hamstring while digging dirt with shovel.	Closed	115,218
Mammoth Community Water District	14-0007	injured left hip while riding in golf cart over bumps and tree roots to an inspection site.	Closed	104,453
Merced Irrigation District	13-0195	strained lower back while lifting 5 gallon buckets out of back of pickup.	Closed	187,206
Merced Irrigation District	13-0092	lacerated top of head while operating bulldozer on uneven land when hit head on top of dozer.	Closed	168,904
Paradise Irrigation District	13-0129	strained left shoulder from doing prep and installing asphalt	Closed	109,128
Paradise Irrigation District	13-0306	strained back and neck while turning off main control valve.	Closed	218,372
Stockton-East Water District	13-0454	dislocated right shoulder when slipped and fell while walking on wet concrete pads.	Closed	185,687
Sweetwater Authority	13-0206	strained neck, shoulders, upper extremities, elbows, wrists, hands and fingers while doing repetitive and cumulative work activities	Closed	112,953
Vallecitos Water District	13-0319	strained lower back while carrying two 55 lb buckets of chlorine.	Closed	487,730
Vallecitos Water District	13-0324	strained mid and lower back and shoulder while turning off 2" arms due to blow meter gasket.	Closed	179,998
Yolo County Flood Control & Water Conservation District	13-0067	strained lower back while adjusting fan belts when mount broke.	Closed	381,383
TOTALS				2,865,768

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

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DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 2013-2014				
Banta Carbona Irrigation District	14-0615	strained mid back while spraying weeds from tractor when hit pothole in road.	Closed	174,040
Beaumont-Cherry Valley Water District	14-0141	sprained knee after twisting ankle and falling on rocks.	Closed	150,861
Crescenta Valley Water District	14-0286	incurred contusions to lower back, wrists, elbows and shoulders after tripping over boulders.	Closed	166,347
Helix Water District	14-0308	experienced ct to lft neck and shldr from daily work duties.	Closed	128,036
Las Virgenes Municipal Water District	14-0736	ct to lft foot from water meter reading.	Closed	128,146
Mammoth Community Water District	14-0311	strained left side of neck while lifting and lowering ice breaker into ice.	Closed	272,648
San Luis & Delta-Mendota Water Authority	14-0360	strained back while lifting a pipe w/shovel as lever.	Closed	392,105
South Feather Water and Power Agency	14-0145	strained left shoulder while moving materials of shelving.	Closed	146,510
Walnut Valley Water District	14-0519	ct to lft shldr, leg, foot, stress and sleep due to unknown.	Closed	343,735
TOTALS				1,902,427
POLICY YEAR 2014-2015				
El Dorado Irrigation District	15-0670	strained lft leg and back while walking and fell in hole.	Closed	111,314
Glenn-Colusa Irrigation District	16-0303	exposed lungs while cleaning and picking up trash.	Closed	116,851
Mission Springs Water District	15-0386	strained lower back and left leg exercising valve to close and valve broke.	Closed	107,554
Palmdale Water District	15-0268	laceration w/possible partial dislocation of righ thumb while loading trucks when tonneau cover came down on hand.	Closed	206,289
Sweetwater Authority	15-0112	alleges numbness in rt finger tips and pain from upper to lower shldr.	Closed	126,432
TOTALS				668,440
POLICY YEAR 2015-2016				
Goleta Water District	16-0196	strained lft shldr pulling tape off box with hands.	Closed	114,004
Santa Clarita Valley Water Agency	16-0247	fractured lft ankle walking on loose gravel and slipped.	Closed	170,972
TOTALS				284,976

**ACWA JPIA - WORKERS' COMPENSATION PROGRAM
SIGNIFICANT LARGE CLOSED CLAIMS
WITH LOSS AMOUNTS OVER \$100,000
FOR MONTH ENDING 5/31/2021**

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DISTRICT	CLAIM NUMBER	DESCRIPTION	STATUS	LOSS AMOUNT
POLICY YEAR 2016-2017				
Berrenda Mesa Water District	17-0071	injured head, chin and shoulder when fell in parking lot.	Closed	184,355
Mojave Public Utility District	17-0392	strained lower back, bilateral shoulders and neck when stepped back and fell over telephone pole.	Closed	100,767
Palmdale Water District	17-0154	strained lft knee stepping out of vehicle into hole and fell.	Closed	117,337
Sweetwater Authority	17-0132	strained right thumb while keyboarding.	Closed	100,571
Water Employee Services Authority	17-0065	strained rt shldr cleaning sewer system; hit by hose and fell.	Closed	102,803
TOTALS				605,833
POLICY YEAR 2017-2018				
Corcoran Irrigation District	18-0350	burned lower extremity cleaning up sulfuric acid and fell in hole with sulfuric acid.	Closed	238,321
Santa Clarita Valley Water Agency	18-0280	strain to left hip/upper leg area while climbing 30 foot ladder in effluent vault	Closed	125,790
TOTALS				364,111
POLICY YEAR 2019-2020				
Sweetwater Authority	20-0483	strained low back while bending over and moving traffic cones.	Closed	132,755
TOTALS				132,755
GRAND TOTAL				40,438,039

ACWA JPIA
Membership Report
June 14, 2021

BACKGROUND

In order to review the membership progress, a list of new and potential members is provided at each Workers' Compensation Program Committee meeting.

CURRENT SITUATION

During the 2020-21 coverage year, the following three agencies joined the Workers' Compensation Program:

<u>MEMBER</u>	<u>PAYROLL</u>	<u>EMPLOYEES</u>	<u>JOIN DATE</u>
Otay Water District	\$15,324,800	138	7/1/2020
Tuolumne Utilities District	\$6,207,708	79	7/1/2020
Grassland Basin Authority	\$113,000	9	12/1/2021

Current Program Membership Status as of May 18, 2021:

Total number of program members:	200
Total number of employees covered:	7,587
Total estimated annual payroll:	\$691,565,351

For the 2021-22 coverage year, San Bernardino Valley Municipal Water District and San Diego County Water Authority are interested in joining the Workers' Compensation Program.

Las Virgenes Municipal Water District, Twentynine Palms Water District and Yorba Linda Water District have rescinded their intents to withdraw for the July 1, 2021 renewal.

RECOMMENDATION

None, informational only.

ACWA JPIA
2021-22 Memorandum of
Workers' Compensation Coverage
June 14, 2021

BACKGROUND

The Workers' Compensation Committee meets annually to discuss the overall program and any required adjustments. Staff is bringing forward the Memorandum of Workers' Compensation Coverage for the program year July 1, 2021 – June 30, 2022.

CURRENT SITUATION

There are no changes to the Memorandum for the upcoming program year.

RECOMMENDATION

That the Workers' Compensation Program Committee recommend that the Executive Committee approve the Memorandum of Workers' Compensation Coverage to be effective July 1, 2021.

WORKERS' COMPENSATION & EMPLOYER'S LIABILITY COVERAGE PROVISIONS

This is a **Memorandum** of understanding between all of the **Member Agencies** of the Association of California Water Agencies Joint Powers Insurance Authority (**Authority**), a California public entities risk pool operating under Sections 990.4 and 990.8 of the California Government Code and other provisions of law. The purpose of this **Memorandum** is to set forth the terms on which the **Authority's Member Agencies** have agreed to pool certain Workers' Compensation risks among their membership, and have agreed to purchase excess insurance (or reinsurance) above the limit of coverage provided by the **Member Agencies'** pooled funds. This **Memorandum** shall be applied according to the principles of contract law, giving full effect to the intent of the **Member Agencies** of the **Authority** in adopting this **Memorandum**. None of the parties to the **Memorandum** are entitled to rely on any contract interpretation principle which would require the interpretation of ambiguous language against the drafter of an agreement. The **Member Agencies** participating in the pool understand and acknowledge that their risk-pooling arrangement governed by this **Memorandum** is not insurance nor is it subject to regulation under the Insurance Code.

Throughout this **Memorandum**, words and phrases that are shown in **bold** type have special meaning and are defined in SECTION I - DEFINITIONS. Words that appear in CAPITAL LETTERS have reference to the like titled section in the **Memorandum**.

INTRODUCTION

In return for the payment of the premium and subject to all terms and conditions of this **Memorandum**, we (the **Authority**) agree with you (the **Member Agency** named in the **Declarations**) as follows:

SECTION I - DEFINITIONS

Authority means the Association of California Water Agencies Joint Powers Insurance Authority.

Bodily injury shall have the meaning as provided by the applicable **Workers' Compensation Law**, and include death resulting therefrom, but shall not include **occupational disease**.

Communicable disease means a disease caused by an infectious organism, which is transmissible from one source to another, directly or indirectly.

Coverage Period means the period of time in which an accident or exposure to disease must occur in order for this **Memorandum** to provide coverage.

Declarations means the statements made on page one of this **Memorandum** and presumed to be true and accurate.

Deposit Premium means the initial premium which a **Member Agency** must pay for coverage. This premium may be later adjusted as a result of any audit by the **Authority** or its agent.

Employee means any person performing work which renders the **Member Agency** legally liable under the Workers' Compensation Act of the State of California, or under the common law of the State of California.

Member Agency means the local public agency, designated in the **Declarations**, which is a party signatory to the **Authority**, a participant in its Workers' Compensation Program.

Memorandum means this document, the **Memorandum Of Workers' Compensation & Employer's Liability Coverage**.

Occupational disease shall have the same meaning as provided by the applicable **Workers' Compensation Law**, and include (1) death resulting therefrom and (2) related cumulative trauma injuries or illnesses.

Occurrence means an injury or disease of an **employee** arising out of and in the course of employment, **Bodily Injury**, illness, or disease sustained by one or more **employees** as a result of a single accident, incident or exposure, shall be deemed to arise from a single **occurrence**. The **occurrence** shall be deemed to take place for the earlier of (a) the last day of the last exposure, in the employment of the **Member Agency**, to conditions causing or aggravating the disease, or (b) the date upon which the **employee** first suffered disability and either knew, or in the exercise of reasonable diligence should have known, that such disability was caused by employment with the **Member Agency**. All **occupational disease** sustained by one or more **employees** as result of an outbreak of the same **communicable disease** shall be deemed to arise from a single **occurrence**. An outbreak of the same **communicable disease** that spans more than one **coverage period** shall be deemed to take place during the first such **coverage period**.

Volunteers means any person while acting within the course and scope of his or her duties of the **Member Agency**, provided that, prior to the **occurrence**, the governing Board of the **Member Agency** has adopted a resolution as provided in

Division 4, Part 1, Chapter 2, Article 2, of the California Labor Code, declaring such volunteer workers to be **employees** of the **Member Agency** for purposes of the Workers' Compensation Act; or provided that such volunteer workers are statutorily deemed by the Workers' Compensation Act to be **employees** for the purposes of workers' compensation.

Workers' Compensation Law means the **Workers' Compensation Laws** of the State of California and includes injury by both accidents and diseases. It includes any amendments to those laws which are in effect during the **coverage period**. It does not include the provisions of any law that provides non-occupational disability benefits.

SECTION II - GENERAL

A. The Memorandum

This **Memorandum** includes the **Declarations** and all addenda and schedules attached to it. It is a contract of coverage between you and us. The only agreements relating to this coverage are stated in this **Memorandum**.

Neither the terms nor conditions of this **Memorandum** may be changed, except by addendum issued by us to become part of this **Memorandum**. You are responsible for telling us at once when the information contained in the **Memorandum** is no longer accurate for your operations.

B. Who Is Covered

You are covered for your liability to your **employees** if you are the **Member Agency** named in the **Declarations**, subject to the provisions of this **Memorandum**.

This **Memorandum** does not cover the liability of any employer other than the **Member Agency** named in the **Declarations**.

C. Locations

This **Memorandum** covers all of your workplaces in the United States of America, its territories or possessions, or while **employees** are working temporarily outside the country.

D. Qualified Self Insurer

The **Member Agency** represents that it is a duly qualified self-insured under the **Workers' Compensation Law** of the State of California, with a current and valid certificate of self-insurance, and will continue to maintain such qualifications during the term this **Memorandum** is in effect. If the **Member Agency** should fail to qualify or fail to maintain such qualifications, the coverage provided under this **Memorandum** may be terminated the first date of such failure.

SECTION III - COVERAGE PROVISIONS

PART ONE – WORKERS' COMPENSATION COVERAGE

This workers' compensation coverage applies to **bodily injury** by accident or **bodily injury** by disease, includes resulting death, subject to the following conditions:

1. **Bodily injury** by accident must occur during the **coverage period**. A disease is not **bodily injury** by accident unless it results directly from **bodily injury** by accident.
2. **Bodily injury** by disease must be caused or aggravated by the conditions of your employment. Your **employee's** last day of last exposure to those conditions causing or aggravating such **bodily injury** by disease must occur during the **coverage period**. **Bodily injury** by disease does not include disease that results directly from **bodily injury** by accident.

PART TWO - EMPLOYER'S LIABILITY COVERAGE

This employer's liability coverage applies to **bodily injury** by accident or **bodily injury** by disease.

1. The **bodily injury** must arise out of and in the course of the covered **employee's** employment by you.
2. The employment must be necessary or incidental to your work in California.
3. **Bodily injury** by accident must occur during the **coverage period**.
4. **Bodily injury** by disease must be caused or aggravated by the conditions of your employment. The **employee's** last day of last

exposure to the conditions causing or aggravating such **bodily injury** by disease must occur during the **coverage period**.

5. If you are sued, the original suit and any related legal actions for damages for **bodily injury** by accident or by disease must be brought in the United States of America, its territories or possessions.

A. We Will Pay

We will pay promptly when due, the benefits required by the **Workers' Compensation Law**, to those eligible under PART ONE - Workers' Compensation Coverage.

We will also pay all sums you legally must pay as damages because of **bodily injury** to your **employees** eligible for benefits under this coverage, provided that the **bodily injury** is covered by the PART TWO - Employers Liability Coverage.

The damages we will pay, where recovery is permitted by law, include damages:

1. For which you are liable to a third party by reason of a claim or suit against you by that third party to recover the damages claimed against such third party as a result of injury to your **employee**;
2. For care and loss of services;
3. For consequential **bodily injury** to a spouse, child, parent, brother or sister of the injured **employee**;

Provided that these damages are the direct consequence of **bodily injury** that arises out of and in the course of the injured **employee's** employment by you; and

4. Because of **bodily injury** to your **employee** that arises out of and in the course of employment claimed against you in a capacity other than as employer.

B. We Will Defend

We have the right and duty to defend at our expense any claim, proceeding or suit against you for benefits payable by this coverage. We also have the right to investigate and settle any such claim, proceeding or suit.

We have no duty to defend a claim, proceeding or suit that is not covered by this **Memorandum** except we hereby assume the duty of defending against claims, proceedings or suits brought under Labor Code Section 132(a) and Serious or Willful Misconduct, Labor Code Sections 4553 and 4553.1. However, even if the defense is unsuccessful, we shall not be obligated to pay any related judgment or award entered on such claims, proceedings or suits nor shall we be obligated to pay any settlement that is either proposed or accepted. We have no duty to defend or continue defending after we have paid our limit of liability under this **Memorandum**.

C. **We Will Also Pay**

We will pay the following costs, in addition to other amounts payable under this coverage, as part of any claim, proceeding or suit we defend:

1. Reasonable expenses incurred at our request, but not loss of earnings;
2. Premiums for bonds to release attachments and for appeal bonds in amounts up to twice the amount payable under this coverage;
3. Litigation costs taxed against you;
4. Interest on an award or judgment as required by law; and
5. Expenses we incur.

D. **Other Coverage Or Insurance**

If there is any other indemnity, insurance or reinsurance protecting against benefits, damages or expenses covered by this **Memorandum**, the coverage afforded by this **Memorandum** shall apply in excess of such other indemnity, insurance or reinsurance unless such other indemnity, insurance or reinsurance specifically applies to this coverage.

E. **Limit Of Liability**

Our liability to pay for claims is limited.

With regards to PART ONE - Workers' Compensation Coverage: Our limit is shown in the **Declarations**. It is the most we will pay for claims covered by this **Memorandum** because of any one accident or **occurrence**, or series of accidents or **occurrences** arising out of any one event to one or more **employees**.

With regards to PART TWO - Employers Liability Coverage: Our limit is shown in the **Declarations**. It is the most we will pay for all damages covered by this **Memorandum** because of **bodily injury** to one or more **employees** in any one accident or **occurrence**, or series of accidents or **occurrences** arising out of any one event or for disease to any one **employee**.

We will not pay any claims for damages after we have paid the limit of our liability under this **Memorandum** as explained above.

F. Exclusions - Payments You Must Make

1. PART ONE - Workers' Compensation Coverage

You are responsible for any payments in excess of the benefits regularly provided by the **Workers' Compensation Law**, including but not limited to those required because:

- a. Of your serious and willful misconduct;
- b. Of knowingly employing an **employee** in violation of law;
- c. Of knowingly failing to comply with a health or safety law or regulation;
- d. Of discharging, coercing, criticism, evaluation, reassignment, discipline, harassment, discriminating against or termination of any **employee** or any personnel policies, practices, omissions or acts in violation of the law; or
- e. Of fines, penalties, punitive damage or exemplary damages of any kind or imposed for violation of law whether state or federal.

2. PART TWO - Employers Liability Coverage

This Coverage Does Not Apply to:

- a. Liability assumed under a contract;
- b. Punitive or exemplary damages where coverage for such liability is prohibited by law or contrary to public policy;

- c. **Bodily injury** to an **employee** while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
- d. Any obligation imposed by a Workers' Compensation, **Occupational Disease**, Unemployment Compensation or Disability Benefits law, or any similar law;
- e. **Bodily injury** intentionally caused or aggravated by you;
- f. **Bodily injury** occurring outside of the United States of America, or its territories. This exclusion does not apply to **bodily injury** to a citizen or resident of the United States of America who is temporarily outside these countries;
- g. Damages arising out of the discharge of, coercion, criticism, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination against or termination of any **employee**, or any personnel practices, policies, acts or omissions; or
- h. Fines or Penalties imposed for violation of law whether state or federal.

3. Waiver of Subrogation

This **Memorandum** shall not apply to claims involving a waiver of subrogation approved by a **Member Agency** after the date of injury or illness that resulted in the claim. This exclusion does not apply to a waiver of subrogation in an agreement or contract that was approved by the **Member Agency** prior to the date of injury or illness that resulted in a claim. This exclusion applies to PART ONE and PART TWO as described in SECTION III - COVERAGE PROVISIONS.

G. Subrogation - Recovery From Others

We may enforce your rights, and the rights of persons entitled to the benefits of this coverage, to recover our payments from anyone liable for injury. You will do everything necessary to protect those rights for us and to help us enforce them.

H. Statutory Provisions

These statements apply where they are required by law:

1. Your default or bankruptcy or insolvency will not relieve us of our duties under this coverage after an injury occurs.
2. Terms of this coverage that conflict with the **Workers' Compensation Law** are changed by this statement to conform to that Law.

I. Action Against Us

There will be no right of action against us under this coverage unless:

1. You have complied with all the terms of this **Memorandum**; and
2. The amount you owe has been determined with our consent or by actual trial and final judgment.

This coverage does not give anyone the right to add us as a defendant in an action against you to determine your liability.

SECTION IV – YOUR DUTIES IF INJURY OCCURS

A. Reporting Duties

The **Member Agency** agrees to give us written notice, immediately if an injury to your **employee** occurs involving:

1. Quadriplegia;
2. Paraplegia;
3. A fatality;
4. A major extremity or multiple minor extremity amputation;
5. Partial or total blindness;
6. Any serious head injury including but not limited to brain stem injury, or unconsciousness exceeding 24 hours;
7. Asbestos, mesothelioma, silicosis or any other disease or condition;
8. Second or third degree burns over 25 percent or more of the body;

9. Any accident which causes serious injury to two or more **employees**.

The **Member Agency** agrees to report every occupational injury or illness which results in medical treatment, beyond the definition of First Aid, or any claim by an **employee** for workers' compensation benefits, to the **Authority**, but in no instance to cause the delay of such report of injury, illness or claim more than five (5) days after date of knowledge or as otherwise required by Labor Code Section 6409.1. The **Member Agency** agrees to give every **employee** a claim form pursuant to Labor Code Section 5401 within one (1) working day of receiving notice or knowledge of a claim or potential claim. Your other duties are listed below:

1. Provide for immediate medical and other services required by the **Workers' Compensation Law**.
2. Give us or our representative the names and addresses of the injured persons and witnesses, and other information we may need.
3. Promptly give us all notices, demands and legal papers related to the injury, claim, proceeding or suit.
4. Cooperate with us, assist us, and give us any information we may request, in the investigation, settlement or defense of any claim, proceeding or suit.
5. Do nothing after any injury occurs that would interfere with our right to recover from others.
6. Do not voluntarily make payments, assume obligations or incur expenses, except at your own cost.

SECTION V – PREMIUM

A. Premium Payments

You will pay all premiums when due.

B. Records

You will keep records of information needed to compute your **deposit premium**. You will provide us with copies of those records when we ask for them.

C. Audit

You will let us examine and audit all your records that relate to the coverage provided by this **Memorandum**. These records include ledgers, journals, registers, vouchers, contracts, tax reports, payroll and disbursement records and programs for storing and retrieving data. We may conduct the audits during regular business hours during the **coverage period** and within three years after the **coverage period** ends. Information developed by the audit will be used to determine the final **deposit premium**.

SECTION VI – CONDITIONS

A. Inspection

We have the right, but are not obligated, to inspect your workplaces at any reasonable time. Our inspections help us determine whether to accept the risk of covering your **employees** in their workplaces. We may give you reports on the conditions we find. We may also recommend changes. While they may help reduce losses, we do not undertake to perform the duty of any person to provide for the health or safety of your **employees** or the public. We do not warrant that your workplaces are safe or healthful or that they comply with laws, regulations, codes or standards.

B. Transfer Of Your Rights And Duties

Your rights or duties under this coverage may not be transferred without our written consent.

C. Our Notice To You

Mailing documents that relate to this coverage to you at the mailing address shown in the **Declarations** or by electronic address on file will be sufficient to prove notice to you of the document.

D. Privacy and Confidentiality of Claim Records

All claim records, including claim files, examiners notes, medical reports, subpoenaed records, correspondence, tapes and films, and whether electronic or hard files, are the property of the **Authority**. Because these records may contain confidential or private medical and/or psychological information related to workers' compensation claims administered by or on behalf of the **Authority**, access to claim files and the information contained therein is restricted to the **Authority** and its agents and assignees, with the exception that the **Member Agency** is entitled to

medical information limited to the diagnosis of the mental or physical condition for which workers' compensation is being claimed and the treatment provided for this condition, or what is necessary for the **Member Agency** to have in order to provide temporary or permanent modification or accommodation of the **employee's** work duties.

SECTION VII – DISPUTE RESOLUTION

A. Arbitration

In the event that the **Authority** denies coverage for defense and/or indemnity on any claim, the **Member Agency** will have the right to appeal to the Workers' Compensation Committee, and if left unresolved to the Executive Committee, the decision to deny coverage. Any dispute concerning the decision of the **Authority** to deny coverage for all or part of a claim shall not be subject to any court action, but shall instead be submitted to binding arbitration. The **Member Agency** must exhaust the right to appeal to the Worker's Compensation Committee and Executive Committee, before requesting arbitration of the dispute.

Arbitration shall be conducted pursuant to the California Code of Civil Procedure. The covered parties and the **Authority** shall attempt to stipulate to an arbitrator, and if they are unable to agree upon an arbitrator one will be appointed by the Superior Court. No arbitrator shall be employed or affiliated with the **Authority** or any **Member Agency**. The decision of the arbitrator shall be final and binding, shall not be subject to further appeal.

ACWA JPIA
Workers' Compensation
Excess Insurance Renewal
June 14, 2021

BACKGROUND

The Workers' Compensation Program renews on July 1, 2021 which includes the pooled portion as well as the excess layer.

CURRENT SITUATION

For the past four years, Safety National has provided the JPIA's excess workers' compensation coverage. In 2018, staff secured a multi-year rate from Safety National at a cost of \$0.090 per \$100 of payroll. The following year, Safety National extended the policy terms and further reduced the rate to \$0.085. Due to the current state of market, Safety National is offering a one-year renewal for the 2021-22 coverage year at a 7% rate increase - \$0.0865 per \$100 of payroll.

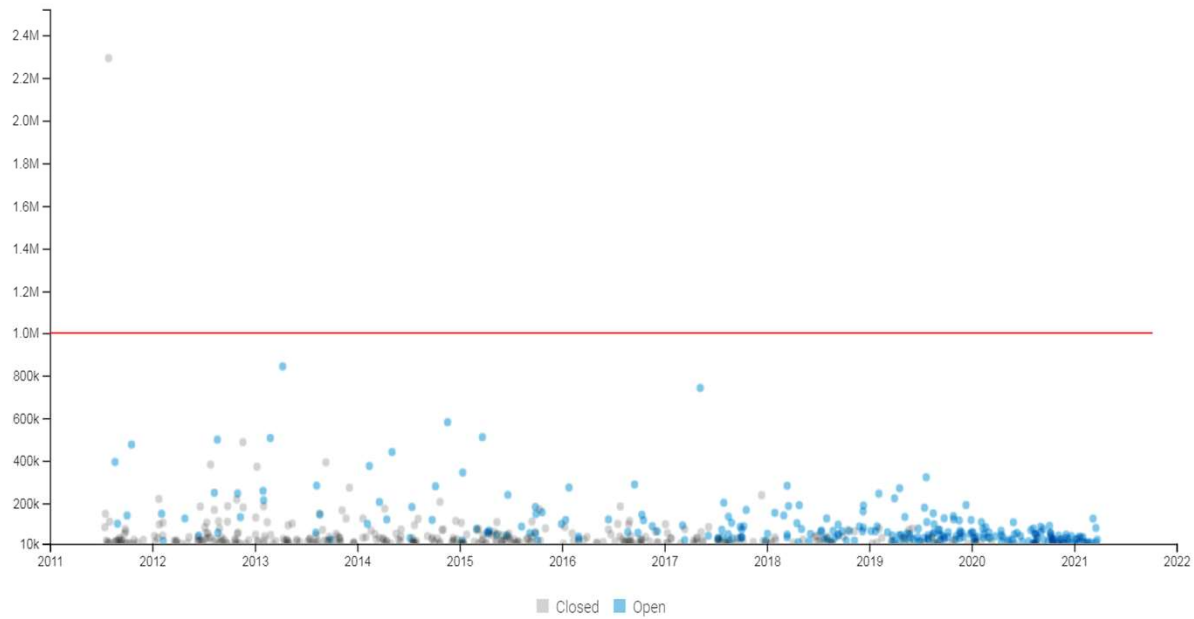
The Workers' Compensation Program maintains a \$2 million self-insured layer and then purchases Statutory limits through the excess workers' compensation market, below are our historical rates:

2017-18	\$0.0900
2018-19	\$0.0900
2019-20	\$0.0850
2020-21	\$0.0850
2021-22	\$0.0865

RECOMMENDATION

That the Workers' Compensation Program Committee recommend that the Executive Committee approve Safety National's excess renewal terms, as presented, with an effective date of July 1, 2021.

Individual Claims Visualization



Retention	1,000,000	% of total
Losses Above	1,292,073	2.81%
Losses Below	44,633,092	97.19%

Losses above half of the retention: DOL 7/29/2011 Closed Total Incurred-\$2,292,073

ACWA JPIA
Senate Bill 335
June 14, 2021

BACKGROUND

Back in 1990 regulations changed for employers to accept liability of a workers' compensation claim. Compensability decisions were required to be determined within 90 days of the return of the Employee Claim Form (DWC1). If compensability determination was not done by 90 days, the claim was deemed as compensable.

In 2004 Labor Code § 5402(c) was added to read during the 90 days while the claim is on delay, employers will be responsible for up to \$10,000 in medical treatment.

CURRENT SITUATION

Senate Bill 335 (SB 335) has recently been introduced which would change our 90 days for determining compensability to 45 days. For employers who are dealing with claims which fall under the presumption, compensability must be determined within 30 days.

SB 335 would also increase the maximum amount of medical treatment from \$10,000 to \$17,000 during the delay period.

JPIA's concerns regarding this bill is the new time frame. Qualified Medical Evaluators (QME) are required to schedule evaluations within 60 days and then another 30 days to provide their reports. We believe this will require staff to deny claims at the 45-day mark pending receipt of the QME's report. This may cause an increase in litigation, which in turn will undoubtedly drive up the claim costs and impact injured workers.

SB 335 passed "in committee" on May 20, moves to the third reading and then a vote with the entire Senate. JPIA's Workers' Compensation Department will continue to monitor this bill and report back to this committee with the results.

RECOMMENDATION

None, informational only.

ACWA JPIA
AME / QME Fee Schedule
June 14, 2021

BACKGROUND

Agreed Medical Evaluators or Qualified Medical Evaluators (AME / QME) follow a fee schedule based on the type of examination and complexity. The range for these evaluations varies between \$625 for a basic exam up to \$1,265 for a complex examination.

CURRENT SITUATION

Effective April 1, 2021, a new AME / QME fee schedule was developed and approved. This new fee schedule has increased the fees for an initial exam to \$2,015, which includes review of 200 documents; thereafter, the physician can charge \$3.00 per page.

The new fee schedule includes add-ons (in addition to the base fees). Examples are as follows:

Interpreter increase by 10%
 Agreed Medical Evaluator (AME) increase by 35%
 Psychologist/Psychiatrist increase by 100%
 Toxicologist/Oncologist increase by 50%

Furthermore, add-ons can be stacked. For instance, an initial exam is \$2,015; the evaluation is conducted by a psychiatrist, as an agreed medical evaluator (AME) and the injured worker requires an interpreter. The initial exam would be increased by $100\% + 35\% + 10\% = 145\%$, calculating to $\$2,015 \times 145\% = \$4,935.76$.

For litigated claims, our defense attorney will need to review all records including those we obtained with a subpoena or from the applicant's attorney to determine if they should be sent to the evaluating physician, since we will be charged \$3.00 per page after the first 200 pages. This will be an additional cost on an hourly rate for the attorney or paralegal to perform this task.

These increases will be included in the total incurred value that is reflected on our claim files.

RECOMMENDATION

None, informational only.

ACWA JPIA
Renewal Pricing for the Workers' Comp Program
June 14, 2021

BACKGROUND

Rates charged to the members are reviewed prior to the beginning of a policy year and may be adjusted at that time. Billing rates for the Workers' Compensation Program are based on projected costs for a given policy year. The largest factor impacting the costs is estimated losses. Rates for each class code were last reduced by 10% across the board for policy year 7/1/2020-2021.

CURRENT SITUATION

Following this summary two options are presented for consideration.

Option 1 shows budgeted numbers with no price change. If all estimates are correct under this pricing, members would receive \$2.068 million in refunds (line 2). The reason for such a favorable dollar amount is due to the reduced loss rate obtained from the JPIA third party actuary. The estimated loss rate per \$100 of payroll went from \$1.41 in policy year 2020-2021 to \$1.29 for policy year 2021-2022. This amounts to nearly a 10% decrease!

Option 2 displays pricing with a 10% decrease in all class code rates. Under this pricing scenario members would potentially have \$708,000 in refunds to them (line 2).

Staff at this point is uncertain of the state legislation in play that could have an unfavorable financial impact on the Workers' Compensation Program.

RECOMMENDATION

That the Workers' Compensation Program Committee recommends that the Executive Committee approve no changes to pricing of the Workers' Compensation Program for the July 1, 2021 renewal.

ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY

WORKERS' COMPENSATION PROGRAM

EXPECTED REVENUE/EXPENSE & FUNDING REQUIREMENTS COMPARISON

As of April 30, 2021

OPTION 1 - NO PRICE CHANGE

	Policy Year 7/1/2019-20 Budget	Policy Year 7/1/2019-20 Actual	Policy Year 7/1/2020-21 Budget	Policy Year 7/1/2021-22 Projection	% Change from 7/1/2020-21 to 7/1/2021-22
REVENUE:					
1 Deposit Premiums Earned (Note 1)	\$ 13,117,617	\$ 13,900,359	\$ 13,163,193	\$ 13,537,274	2.84%
2 Retrospective Premium Adjustment	(464,760)	(4,474,928)	(1,019,828)	(2,068,715)	102.85%
3 Net Investment Income	930,622	908,330	1,879,909	2,539,694	35.10%
4 Total Revenue	\$ 13,583,479	\$ 10,333,761	\$ 14,023,274	\$ 14,008,252	-0.11%
EXPENSES:					
5 Paid Claims and Claims Reserves	\$ 9,124,100	\$ 8,001,000	\$ 9,370,900	\$ 8,921,200	-4.80%
6 Purchased Excess Insurance	532,466	510,476	597,023	630,317	5.58%
7 General & Admin. Expenses	3,926,913	1,822,285	4,055,351	4,456,735	9.90%
8 Total Expenses	13,583,479	10,333,761	14,023,274	14,008,252	-0.11%
9 CONT. TO CAT. RESERVES:	\$ 0	\$ 0	\$ 0	\$ 0	N/A
10 Number of Program Members	194	199	199	200	0.50%
11 Payroll	\$ 588,651,080	\$634,196,000	\$664,600,271	\$691,565,352	4.06%
12 Ratio of Incurred Losses to Payroll	1.55	1.26	1.41	1.29	-8.51%
13 Ratio of Deposit Premium to Payroll	2.23	2.19	1.98	1.96	-1.17%
14 District RAPs	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	
15 Pooled Layer	RAP to \$2M	RAP to \$2M	RAP to \$2M	RAP to \$2M	
16 Program Limits	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	
	Employer	Employer	Employer	Employer	
	Liability and	Liability and	Liability and	Liability and	
	Statutory Limit	Statutory Limit	Statutory Limit	Statutory Limit	
	on Work Comp	on Work Comp	on Work Comp	on Work Comp	

Workers' Comp. Estimated Deposit Premiums**7/1/2020-21**

CLASS	CODE	CURRENT RATE	AVG RATE	PAYROLL	% of Payroll	PREMIUM	% of Premium
Irrigation Drainage	0251	\$6.55	\$5.15	\$49,125,217	7.4%	\$2,528,232	19.2%
Analytical/Testing Laboratories	4511	1.50	1.18	4,302,289	0.6%	50,706	0.4%
Sewer Construction (<\$21)	6307	10.55	8.29	11,184	0.0%	927	0.0%
Waterworks Operations	7520	4.06	3.19	226,670,882	34.1%	7,230,909	54.9%
Electric Light & Power	7539	3.12	2.45	20,604,905	3.1%	505,122	3.8%
Sanitation District	7580	2.73	2.15	28,488,445	4.3%	611,086	4.6%
Salespersons-Meter Readers	8742	0.94	0.74	105,556,599	15.9%	779,623	5.9%
Clerical	8810	0.77	0.61	225,666,227	34.0%	1,365,301	10.4%
Parks & Recreation	9182	1.83	1.44	3,206,441	0.5%	46,105	0.4%
Camp - Recreational/Educator	9048	5.94	4.67	968,082	0.1%	45,182	0.3%
		\$2.52		\$664,600,271	100.0%	\$13,163,193	100.0%

7/1/2021-22

CLASS	CODE	PROPOSED NEW RATE	AVG RATE	PAYROLL	% of Payroll	PREMIUM	% of Premium
Irrigation Drainage	0251	\$6.55	\$5.15	\$49,938,139	7.2%	\$2,570,069	19.0%
Analytical/Testing Laboratories	4511	1.50	1.18	4,420,188	0.6%	52,096	0.4%
Sewer Construction (<\$21)	6307	10.55	8.29	6,614	0.0%	548	0.0%
Waterworks Operations	7520	4.06	3.19	231,202,671	33.4%	7,375,475	54.5%
Electric Light & Power	7539	3.12	2.45	21,800,757	3.2%	534,438	3.9%
Sanitation District	7580	2.73	2.15	30,441,334	4.4%	652,976	4.8%
Salespersons-Meter Readers	8742	0.94	0.74	111,262,991	16.1%	821,769	6.1%
Clerical	8810	0.77	0.61	238,346,019	34.5%	1,442,015	10.7%
Parks & Recreation	9182	1.83	1.44	3,271,423	0.5%	47,039	0.3%
Camp - Recreational/Educator	9048	5.94	4.67	875,216	0.1%	40,848	0.3%
		\$2.49		\$691,565,352	100.0%	\$13,537,274	100.0%

% of Increase/Decrease**0.00%****Comparison - % of Losses to % of Premium**

CLASS	CODE	21/22 PAYROLL	% of P/R	5 Yr. Loss 15/16 - 19/20	% of LOSSES	20/21 PREMIUM	% of Premium
Irrigation Drainage	0251	\$49,938,139	7.2%	\$3,477,821	17.9%	\$2,570,069	19.0%
Analytical/Testing Laboratories	4511	4,420,188	0.6%	5,342	0.0%	52,096	0.4%
Sewer Construction (<\$21)	6307	6,614	0.0%	-	0.0%	548	0.0%
Waterworks Operations	7520	231,202,671	33.4%	11,940,273	61.5%	7,375,475	54.5%
Electric Light & Power	7539	21,800,757	3.2%	184,477	1.0%	534,438	3.9%
Sanitation District	7580	30,441,334	4.4%	740,284	3.8%	652,976	4.8%
Salespersons-Meter Readers	8742	111,262,991	16.1%	1,191,444	6.1%	821,769	6.1%
Clerical	8810	238,346,019	34.5%	1,588,160	8.2%	1,442,015	10.7%
Parks & Recreation	9182	3,271,423	0.5%	275,561	1.4%	47,039	0.3%
Camp - Recreational/Educator	9048	875,216	0.1%	5,072	0.0%	40,848	0.3%
		\$691,565,352	100.0%	\$19,408,434	100.0%	\$13,537,274	100.0%

CALCULATIONS - Workers' Comp Program

Line #

- 1 Deposit Premium - See (Note 1)
- 2 RPA - Calculated to balance budget
- 3 Interest Income - 5.0%
- 5 Claims Expense - Actuarially generated Loss Rate times payroll / 100
- 6 Excess Insurance - Excess Rate times payroll / 100
- 7 G&A Expenses - 36% of Annual Budget (\$12,379,819)

<u>VARIABLES</u>	<u>PROJECTION</u> <u>7/1/2020-21</u>	<u>PROJECTION</u> <u>7/1/2021-22</u>
PAYROLL	\$664,600,271	\$691,565,352
LOSS RATE/\$100 OF P/R	\$1.4100	\$1.2900
EXCESS RATE/100 OF P/R	\$0.0850	\$0.0865

Interest Earning Calculations**7/1/2020-21**

Claims Payment Pattern	Unpaid Losses	Annual Interest Earnings 5.00%	Future Value	
	9,370,900			11
17.5%	7,730,993	427,547	696,430	10
26.1%	5,285,188	325,405	504,809	9
21.8%	3,242,331	213,188	314,976	8
15.8%	1,761,729	125,102	176,030	7
7.3%	1,077,654	70,985	95,126	6
5.3%	580,996	41,466	52,923	5
3.8%	224,902	20,147	24,489	4
1.2%	112,451	8,434	9,763	3
0.8%	37,484	3,748	4,133	2
0.3%	9,371	1,171	1,230	1
FV OF ANNUAL EARNINGS			1,879,909	
CAT FUND CONTRIB			0	
Interest Earnings			0	
SIEF			0	
Interest Earnings			0	
TOTAL INTEREST EARNINGS			<u>1,879,909</u>	

7/1/2021-22

Claims Payment Pattern	Unpaid Losses	Interest Earnings 5.00%	Future Value	
	8,921,200			11
17.5%	7,359,990	407,030	663,009	10
26.1%	5,031,557	309,789	480,584	9
21.8%	3,086,735	202,957	299,860	8
15.8%	1,677,186	119,098	167,583	7
7.3%	1,025,938	67,578	90,561	6
5.3%	553,114	39,476	50,383	5
3.8%	214,109	19,181	23,314	4
1.2%	107,054	8,029	9,295	3
0.8%	35,685	3,568	3,934	2
0.3%	8,921	1,115	1,171	1
FV OF ANNUAL EARNINGS			1,789,694	
CAT FUND CONTRIB			0	
Interest Earnings			0	
SIEF			0	
Interest from CAT Fund			750,000	
TOTAL INTEREST EARNINGS			<u>2,539,694</u>	

ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY

WORKERS' COMPENSATION PROGRAM

EXPECTED REVENUE/EXPENSE & FUNDING REQUIREMENTS COMPARISON

As of April 30, 2021

OPTION 2 - 10% DECREASE

	Policy Year 7/1/2019-20 Budget	Policy Year 7/1/2019-20 Actual	Policy Year 7/1/2020-21 Budget	Policy Year 7/1/2021-22 Projection	% Change from 7/1/2020-21 to 7/1/2021-22
REVENUE:					
1 Deposit Premiums Earned (Note 1)	\$ 13,117,617	\$ 13,900,359	\$ 13,163,193	\$ 12,177,285	-7.49%
2 Retrospective Premium Adjustment	(464,760)	(4,474,928)	(1,019,828)	(708,727)	-30.51%
3 Net Investment Income	930,622	908,330	1,879,909	2,539,694	35.10%
4 Total Revenue	<u>\$ 13,583,479</u>	<u>\$ 10,333,761</u>	<u>\$ 14,023,274</u>	<u>\$ 14,008,252</u>	-0.11%
EXPENSES:					
5 Paid Claims and Claims Reserves	\$ 9,124,100	\$ 8,001,000	\$ 9,370,900	\$ 8,921,200	-4.80%
6 Purchased Excess Insurance	532,466	510,476	597,023	630,317	5.58%
7 General & Admin. Expenses	<u>3,926,913</u>	<u>1,822,285</u>	<u>4,055,351</u>	<u>4,456,735</u>	9.90%
8 Total Expenses	<u>13,583,479</u>	<u>10,333,761</u>	<u>14,023,274</u>	<u>14,008,252</u>	-0.11%
9 CONT. TO CAT. RESERVES:	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	N/A
10 Number of Program Members	194	199	199	200	0.50%
11 Payroll	\$ 588,651,080	\$634,196,000	\$664,600,271	\$691,565,352	4.06%
12 Ratio of Incurred Losses to Payroll	1.55	1.26	1.41	1.29	-8.51%
13 Ratio of Deposit Premium to Payroll	2.23	2.19	1.98	1.76	-11.10%
14 District RAPs	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	\$250 - \$25,000	
15 Pooled Layer	RAP to \$2M	RAP to \$2M	RAP to \$2M	RAP to \$2M	
16 Program Limits	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	
	Employer	Employer	Employer	Employer	
	Liability and	Liability and	Liability and	Liability and	
	Statutory Limit	Statutory Limit	Statutory Limit	Statutory Limit	
	on Work Comp	on Work Comp	on Work Comp	on Work Comp	

Workers' Comp. Estimated Deposit Premiums

<u>7/1/2020-21</u>		CURRENT			% of		% of
CLASS	CODE	RATE	AVG RATE	PAYROLL	Payroll	PREMIUM	Premium
Irrigation Drainage	0251	\$6.55	\$5.15	\$49,125,217	7.4%	\$2,528,232	19.2%
Analytical/Testing Laboratories	4511	1.50	1.18	4,302,289	0.6%	50,706	0.4%
Sewer Construction (<\$21)	6307	10.55	8.29	11,184	0.0%	927	0.0%
Waterworks Operations	7520	4.06	3.19	226,670,882	34.1%	7,230,909	54.9%
Electric Light & Power	7539	3.12	2.45	20,604,905	3.1%	505,122	3.8%
Sanitation District	7580	2.73	2.15	28,488,445	4.3%	611,086	4.6%
Salespersons-Meter Readers	8742	0.94	0.74	105,556,599	15.9%	779,623	5.9%
Clerical	8810	0.77	0.61	225,666,227	34.0%	1,365,301	10.4%
Parks & Recreation	9182	1.83	1.44	3,206,441	0.5%	46,105	0.4%
Camp - Recreational/Educator	9048	5.94	4.67	968,082	0.1%	45,182	0.3%
		\$2.52		\$664,600,271	100.0%	\$13,163,193	100.0%

<u>7/1/2021-22</u>		PROPOSED			% of		% of
CLASS	CODE	NEW RATE	AVG RATE	PAYROLL	Payroll	PREMIUM	Premium
Irrigation Drainage	0251	\$5.90	\$4.64	\$49,938,139	7.2%	\$2,315,024	19.0%
Analytical/Testing Laboratories	4511	1.35	1.06	4,420,188	0.6%	46,886	0.4%
Sewer Construction (<\$21)	6307	9.50	7.46	6,614	0.0%	494	0.0%
Waterworks Operations	7520	3.65	2.87	231,202,671	33.4%	6,630,661	54.5%
Electric Light & Power	7539	2.81	2.21	21,800,757	3.2%	481,337	4.0%
Sanitation District	7580	2.46	1.93	30,441,334	4.4%	588,396	4.8%
Salespersons-Meter Readers	8742	0.85	0.67	111,262,991	16.1%	743,089	6.1%
Clerical	8810	0.69	0.54	238,346,019	34.5%	1,292,195	10.6%
Parks & Recreation	9182	1.65	1.30	3,271,423	0.5%	42,412	0.3%
Camp - Recreational/Educator	9048	5.35	4.20	875,216	0.1%	36,791	0.3%
		\$2.24		\$691,565,352	100.0%	\$12,177,285	100.0%

% of Increase/Decrease **-10.05%**

Comparison - % of Losses to % of Premium

CLASS	CODE	21/22 PAYROLL	% of P/R	5 Yr. Loss 15/16 - 19/20	% of LOSSES	20/21 PREMIUM	% of Premium
Irrigation Drainage	0251	\$49,938,139	7.2%	\$3,477,821	17.9%	\$2,315,024	19.0%
Analytical/Testing Laboratories	4511	4,420,188	0.6%	5,342	0.0%	46,886	0.4%
Sewer Construction (<\$21)	6307	6,614	0.0%	-	0.0%	494	0.0%
Waterworks Operations	7520	231,202,671	33.4%	11,940,273	61.5%	6,630,661	54.5%
Electric Light & Power	7539	21,800,757	3.2%	184,477	1.0%	481,337	4.0%
Sanitation District	7580	30,441,334	4.4%	740,284	3.8%	588,396	4.8%
Salespersons-Meter Readers	8742	111,262,991	16.1%	1,191,444	6.1%	743,089	6.1%
Clerical	8810	238,346,019	34.5%	1,588,160	8.2%	1,292,195	10.6%
Parks & Recreation	9182	3,271,423	0.5%	275,561	1.4%	42,412	0.3%
Camp - Recreational/Educator	9048	875,216	0.1%	5,072	0.0%	36,791	0.3%
		\$691,565,352	100.0%	\$19,408,434	100.0%	\$12,177,285	100.0%

ACWA JPIA
CEO Update
June 14, 2021

BACKGROUND

This will be a standing item on Committee agendas.

CURRENT SITUATION

The JPIA's Chief Executive Officer, Andy Sells, will update the Committee on relevant current issues, potential future opportunities and challenges.

- JPIA update

RECOMMENDATION

None, informational only.

JPIA MEETING & CONFERENCE CALENDAR – 2021

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MEETING DATES	BOARD OF DIRECTORS	EXECUTIVE	PERSONNEL	FINANCE & AUDIT	PROGRAMS				RISK MGMT
					Emp. Benefits	Liability	Property	Work Comp	
FEB 9		1:00 PM ZOOM							9:30 AM ZOOM
FEB 22			2:00 PM ZOOM						
MAR 15		2:00 PM ZOOM							
APRIL 7				10:00 AM ZOOM					
APRIL 12		10:00 AM ZOOM							
APRIL 15					10:00 AM ZOOM				
MAY 10	10:00 AM ZOOM								
ACWA VIRTUAL CONFERENCE MAY 12-13									
MAY 21		10:30 AM ZOOM			9:30 AM ZOOM				
JUNE 14							10:30 AM ZOOM	8:30 AM ZOOM	
JUNE 17		10:00 AM ZOOM							
JULY 15					9:00 AM TBD				
JULY 16		9:00 AM TBD							
CAJPA CONFERENCE – SEPTEMBER 21-24									
SEPT 27				8:30 AM TBD		10:30 AM TBD			
SEPT 29		1:00 PM TBD							
Nov 29	TBD								
ACWA CONFERENCE – NOVEMBER 30 – DECEMBER 3									

****DATES AND TIMES SUBJECT TO CHANGE**